

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

**EDGAR AGENTS, LLC,**

**Plaintiff,**

**v.**

**EMPIRE FILINGS LLC a/k/a CLOUD  
EMPIRE LLC, MICHAEL LAZAR,  
CHARLES ARANDA and  
DOES 1-20.**

**Defendants.**

**Civil Action No. 22-CV-00647**

**CONSENT JUDGMENT AND  
PERMANENT INJUNCTION**

**ECF CASE**

**WHEREAS**, on January 25, 2022, Plaintiff Edgar Agents LLC (“Plaintiff” or “Edgar Agents”) commenced this action against Defendants Empire Filings LLC a/k/a Cloud Empire LLC, Michael Lazar (“Lazar”) and Charles Aranda (“Aranda”) (collectively “Defendants” or “Empire Filings”), asserting claims of copyright infringement under the Copyright Act, 17 U.S.C. §101 *et seq.*, theft of trade secrets, under the Defend Trade Secrets Act, 18 U.S.C. § 1832 *et. seq.*, breach of a settlement agreement dated March 2021, and related causes of action alleging Defendants’ theft, copying, piracy, reproduction and/or use of Edgar Agents’ proprietary software;

**WHEREAS**, on this day, March 1, 2023 (“Effective Date”), in order to avoid further costs and expenses related to the litigation, Edgar Agents and Defendants wish to enter into this Consent Judgment and Permanent Injunction;

**WHEREAS**, in addition to this Consent Judgment and Permanent Injunction, the Parties have also entered into a Settlement Agreement, whereby the action, including without limitation, all asserted claims and counterclaims amongst the Parties have been resolved on mutually agreeable terms;

**WHEREAS**, the Settlement Agreement includes a settlement amount in settlement of Edgar Agents' claims against Defendants as well as mutual releases amongst the Parties;

**WHEREAS**, in connection with this Consent Judgment and Permanent Injunction, the Parties stipulate to the following facts:

**STIPULATED FACTS**

1. Edgar Agents is the owner of proprietary software which has been in use by Edgar Agents and its foreign affiliate (hereinafter "Edgar India") since 2018. Edgar Agents' software provides tools to its personnel for, *inter alia*, revision management, quick previews of changes and revisions, .PDF file conversions and HTML exporting of files.

2. At the direction of Edgar Agents, Ramkumar Palanivel ("Palanivel"), as the lead software developer, created and developed the software that is used to service the clients of Edgar Agents. Since creating this software back in 2018, Palanivel has continued to maintain and enhance the source code for the company. Since the initial development of the source code, additional code improvements were incorporated in 2020 and 2021 to administer and process EDGAR filings for clients of Edgar Agents and to enhance the security of the source code.

3. Edgar Agents' proprietary software, is embodied in each of Edgar Agents' copyright registrations TX 9-050-887, TX 9-045-107, TX 9-045-119, TX 9-045-114, TX 9-045-111 (collectively "Copyright Registrations"). The titles of each of the Copyright Registrations are SourceCode\_EALining-HTML\_Export\_ v2018.09, SourceCode\_EALining-Main\_ v2020.11, SourceCode\_EALining-HTML\_Export\_ v2020.11, SourceCode\_EALining-Main\_ v2021.11 and SourceCode\_EALining-HTML\_Export\_ v2021.11, each of which cover Edgar Agents' proprietary software (individually and collectively "Edgar Agents Proprietary Software"). For purposes of this Consent Judgment and Permanent Injunction, the term "Edgar Agents Proprietary

Software” also includes any and all past, present and future forms of software, applications, source code, executable files and/or object code which belong to Edgar Agents, as well as all past, present and future derivatives, changes, amendments, updates and improvements thereof.

4. By virtue of a Copyright Assignment dated December 1, 2021 from Edgar India, Edgar Agents is the sole owner of all right, title and interest to Edgar Agents Proprietary Software which is the subject matter of claims asserted by Edgar Agents against Defendants.

5. In addition to being subject to copyright protections, Edgar Agents Proprietary Software are also critical trade secrets. Edgar Agents Proprietary Software, including the implementation and the processes and protocols employed by the software, are maintained as critical trade secrets, which represent a substantial portion of the value of its company and enterprise. Numerous concrete measures have been implemented to protect the secrecy of Edgar Agents Proprietary Software, and the trade secrets embodied therein. Currently, only three individuals have physical access to the company’s proprietary source code, which is secured on a cloud server in a company-administered, private Git repository.

6. Executable files of Edgar Agents’ software are not publicly available and are kept secured with limited access to employees who are designated on the production team and who are charged with processing EDGAR filings for Edgar Agents’ clientele. Employees with access to the executable files as part of their production duties for the company each agree in writing to maintain strict confidentiality. Employees are also restricted from disclosing confidential information to others even after termination.

7. In late 2020, in order to further limit exposure and use of the company’s software by unauthorized individuals, Edgar Agents implemented enhanced security features to the software

in order to further mitigate against the possibility that the software could be copied and/or leaked externally to unauthorized individuals without company access.

8. Edgar Agents and each of the Defendants have had ample opportunity to review the terms of this Consent Judgment and Permanent Injunction and agree to its terms voluntarily and under their own volition, with advice from their respective counsels.

9. Based on the agreement of the parties to this Consent Judgment and Permanent Injunction and the facts stipulated to and established herein and now adopted by the Court, it is hereby

**ORDERED, ADJUDGED and DECREED**, as follows:

A. This Court has subject matter jurisdiction over this action and personal jurisdiction over each of the Defendants.

B. Edgar Agents Proprietary Software are original works of authorship.

C. The Copyright Registrations and the copyright rights represented in Edgar Agents Proprietary Software are valid and enforceable.

D. Edgar Agents Proprietary Software is also a “trade secret” as defined under 18 U.S.C. § 1839(3). Edgar Agents has taken reasonable measures to keep the information embodied in Edgar Agents Proprietary Software secret and the information derives independent economic value from not being generally known to, and not being readily ascertainable through proper means by, another person who can obtain economic value from the disclosure or use of the information.

E. Edgar Agents is the sole, rightful and exclusive owner of all copyright rights and trade secrets in Edgar Agents Proprietary Software.

F. Each of the Defendants agrees never to challenge the validity and/or enforceability of Edgar Agents' copyright rights, and agrees to never assist or provide information to any third party in doing so.

G. Each of the Defendants agrees never to challenge the validity and/or enforceability of Edgar Agents' trade secrets, and agree to never assist or provide information to any third party in doing so.

H. Each of the Defendants, along with their respective principals, agents, attorneys, members, servants, vendors, service providers, employees, directors, officers, parents, successors, heirs, assigns, executors, representatives, and subsidiaries, and all other persons in active concert and participation with them who aid and abet Defendants in violating this Consent Judgment and Permanent Injunction, are permanently enjoined from running, using, reproducing, distributing, displaying, performing, creating derivative works of, buying, selling, copying, importing, exporting, promoting, marketing, advertising, emailing and/or reverse engineering Edgar Agents Proprietary Software, both directly and indirectly, knowingly and unknowingly, for any reason or purpose whatsoever.

I. Each of the Defendants, along with their respective principals, agents, attorneys, members, servants, vendors, service providers, employees, directors, officers, parents, successors, heirs, assigns, executors, representatives, and subsidiaries, and all other persons in active concert and participation with them who aid and abet Defendants in violating this Consent Judgment and Permanent Injunction, are permanently enjoined from infringing the Edgar Agents Proprietary Software, both directly and indirectly, knowingly and unknowingly, for any reason or purpose whatsoever.

J. Each of the Defendants, along with their respective principals, agents, attorneys, members, servants, vendors, service providers, employees, directors, officers, parents, successors, heirs, assigns, executors, representatives, and subsidiaries, and all other persons in active concert and participation with them who aid and abet Defendants in violating this Consent Judgment and Permanent Injunction, are permanently enjoined from utilizing, retaining, doing business with, paying, engaging, communicating with, consulting any third party which is infringing, has infringed, misappropriating, has misappropriated, stolen, retained and/or acquired Edgar Agents Proprietary Software.

K. Each of the Defendants, along with their respective principals, agents, attorneys, members, servants, vendors, service providers, employees, directors, officers, parents, successors, heirs, assigns, executors, representatives, and subsidiaries, and all other persons in active concert and participation with them who aid and abet Defendants in violating this Consent Judgment and Permanent Injunction, are enjoined, for a period of two years from the Effective Date from recruiting and/or hiring present and/or former employees of Edgar Agents. Any current United States employee of Defendants that may have been employed by Edgar Agents prior to the entry of this Consent Judgment and Permanent Injunction may continue to be an employee of the Defendants. Any current foreign employee of Defendants that may have been employed by Edgar Agents or Edgar India prior to the entry of this Consent Judgment and Permanent Injunction may not continue to be an employee of the Defendants and shall herewith be identified to Edgar Agents by name, address, email address and phone number.

L. Each of the Defendants, along with their respective principals, agents, attorneys, members, servants, vendors, service providers, employees, directors, officers, parents, successors, heirs, assigns, executors, representatives, and subsidiaries, and all other persons in

active concert and participation with them who aid and abet Defendants in violating this Consent Judgment and Permanent Injunction, are permanently enjoined from unfairly competing with Edgar Agents by using, marketing, advertising, promoting, using SEO terms, Google search engine ad-words, and/or otherwise referring to (1) Edgar Agents Proprietary Software; (2) past EDGAR filings (and/or links thereto) which were completed utilizing Edgar Agents Proprietary Software; and/or (3) for a period of twelve (12) months from the entry of this Consent Judgment, the names of customers on behalf of which Edgar Agents Proprietary Software was utilized.

M. Each of the Defendants, along with their respective principals, agents, attorneys, members, servants, vendors, service providers, employees, directors, officers, parents, successors, heirs, assigns, executors, representatives, and subsidiaries, and all other persons in active concert and participation with them who aid and abet Defendants in violating this Consent Judgment and Permanent Injunction, are obligated to notify Edgar Agents, in writing, within three (3) days after becoming aware of any third party which performs and/or has performed any of the actions which are prohibited to Defendants by this Consent Judgment and Permanent Injunction. The assistance contemplated by this paragraph shall include Defendants notifying Edgar Agents about and sharing any information Defendants each possess or comes to possess in the future concerning use, copying, infringement, misappropriation and/or theft by third parties of Edgar Agents Proprietary Software, as well as Defendants' agreement to testify regarding same, if requested by Edgar Agents.

N. If any Defendant is found by the Court to have violated the prohibitions of this Consent Judgment and Permanent Injunction, Edgar Agents is entitled, at its election, to liquidated damages of (1) \$125,000 for each of the Defendants' clients on whose behalf an

EDGAR filing was completed after utilizing Edgar Agents Proprietary Software after the entry this Consent Judgment, or (2) \$50,000 for each EDGAR filing completed after utilizing Edgar Agents Proprietary Software after the entry this Consent Judgment; or to Edgar Agents actual, statutory, and punitive damages. In any action, regardless of which measure of damages Edgar Agents selects, Edgar Agents shall be entitled to recover its attorneys' fees, expert fees and investigator fees for finding and demonstrating that Defendants have violated this Consent Judgment and otherwise incurred in connection with obtaining, enforcing, and collecting an award of damages. All liability will be joint and several among Defendants.

O. In addition to other remedies, including damages, for contempt of this Consent Judgment and Permanent Injunction, in the event of breach or violation by Defendants, individually and/or along with their principals, agents, attorneys, members, servants, vendors, service providers, employees, directors, officers, parents, successors, heirs, assigns, executors, representatives, and subsidiaries, and all other persons in active concert and participation with them who aid and abet Defendants in violating this Consent Judgment, Edgar Agents is entitled to a preliminary and permanent injunction against the breaching conduct upon a showing of a possibility of success of establishing that such a breach occurred.

P. Each of the Defendants agrees to assist Edgar Agents in the prosecution of any future actions against any third parties pertaining to the theft, infringement and/or enforcement of Edgar Agents' proprietary rights in connection with Edgar Agents Proprietary Software, both in the United States and abroad. Each of the Defendants also agrees to assist Edgar Agents in the prosecution of any future pleading, discovery, or action as well, both in the United States and abroad.



Q. Edgar Agents and Defendants shall act and cooperate with one another to the full extent necessary to promptly and efficiently effectuate the terms of this Consent Judgment and Permanent Injunction.

R. The terms of this Consent Judgment and Permanent Injunction and injunctions set forth herein are applicable to each of the Defendants, as well as to all individuals and entities which are fully owned, co-owned and/or controlled by any one of the Defendants.

S. Defendants are enjoined from investing in, controlling, using, giving business to, engaging, consulting, retaining, communicating with, owning and participating in any business that violates any term of this Consent Judgment.

T. Edgar Agents and Defendants each agree that jurisdiction and venue for an action for contempt of this Consent Judgment exists in the United States District Court for the Southern District of New York. In such an action, Edgar Agents and Defendants shall waive any and all defenses based upon personal jurisdiction, subject matter jurisdiction, and venue.

U. This Consent Judgment shall be binding upon and shall inure to the benefit of the parties hereto, and their respective heirs, executors, legal representatives, successors, and assigns;

V. Each of the signatories warrant and represent that they have full authorization to enter into the Consent Judgment and Permanent Injunction on behalf of the respective parties named below;

W. Signatures transmitted electronically or by facsimile shall be deemed original;

X. This Consent Judgment is entered pursuant to Rule 58 of the Federal Rules of Civil Procedure, and this Action is hereby dismissed, with prejudice, as to Defendants only.

Y. The parties hereto have waived appeal from this Consent Judgment and Permanent Injunction or challenge to it in any way; and


Z. The Court shall retain jurisdiction to enforce the terms of this Consent Judgment and Permanent Injunction and of the Settlement Agreement.

AA. All claims and counterclaims asserted by the Parties against one another in the action are hereby discontinued upon execution of this Consent Judgment and Permanent Injunction by the parties and the Court.

The Parties hereby agree to the form and entry of the above Consent Judgment and Permanent Injunction.

**CONSENTED AND AGREED TO BY:**


**EDGAR AGENTS, LLC**

  
By: Stephen Bonventre, CEO

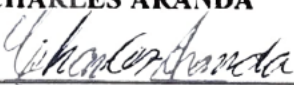
**EMPIRE FILINGS LLC a/k/a CLOUD  
EMPIRE LLC**

  
By: Michael Lazar, CEO

**MICHAEL LAZAR**

  
By: Michael Lazar

**CHARLES ARANDA**

  
By: Charles Aranda

SO ORDERED on this 23 day of March 2023:

  
HON. JESSE M. FURMAN  
UNITED STATES DISTRICT COURT JUDGE

The Clerk of Court is directed to  
terminate ECF No. 62.